

**CRAVITY BRANCH DISTRICT NO. 1  
OF CAMDEN PARISH  
Cameron, Louisiana**

**General Purpose Financial Statements  
With Independent Auditor's Report  
as of and for the Year Ended  
December 31, 2000  
With Supplemental Information Schedule**

Under provisions of state law, this report is a public document. A copy of this report is to be presented to the entity and a copy to the State Auditor. This report is available for public use. There are no known Rouge offices of the Legislative Council and, where appropriate, in the office of the parish clerk of court.

Release Date 01/19/02

**GRAVITY DRAINAGE DISTRICT NO. 3  
OF CAMERON PARISH  
Cameron, Louisiana**

**General Purpose Financial Statements  
With Independent Auditor's Report  
As of and for the Year Ended  
December 31, 2000  
With Supplemental Information Schedule**

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**LITTLE & ASSOCIATES**  
CERTIFIED PUBLIC ACCOUNTANTS

WILL THOMAS LITTLE, CPA  
JAMES C. BOWEN, CPA  
CHRISTOPHER R. HARRINGTON, JR., CPA

**Independent Auditor's Report**

**GRAVITY DRAINAGE DISTRICT NO. 3  
OF CAMERON PARISH  
Cameron, Louisiana**

We have audited the general purpose financial statements of Gravity Drainage District No. 3 of Cameron Parish, a component unit of the Cameron Parish Police Jury, as of December 31, 2004, and for the year then ended, as listed in the table of contents. These general purpose financial statements are the responsibility of Gravity Drainage District No. 3 of Cameron Parish's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with U. S. generally accepted auditing standards and the standards applicable to financial audits contained in *Governance Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of Gravity Drainage District No. 3 of Cameron Parish, as of December 31, 2004, and the results of its operations for the year then ended in conformity with U. S. generally accepted accounting principles.

GRAVITY DRAINAGE DISTRICT NO. 3  
OF CAMERON PARISH  
Cameron, Louisiana  
Independent Auditor's Report  
December 31, 2001

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The supplemental information schedule listed in the table of contents is presented for the purpose of additional analysis and is not a required part of the general purpose financial statements of Gravity Drainage District No. 3 of Cameron Parish. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly presented, in all material respects, in relation to the general purpose financial statements taken as a whole.

In accordance with Government Auditing Standards, we have also issued a report dated June 13, 2002 on Gravity Drainage District No. 3 of Cameron Parish's compliance with laws, regulations, contracts and grants, and our consideration of the district's internal control over financial reporting. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.



Stennis, Louisiana  
June 13, 2002

## GENERAL PURPOSE FINANCIAL STATEMENTS (OVERVIEW)

GRAVITY DRAINAGE DISTRICT NO. 3  
OF CAMBION PARISH  
Camden, Louisiana  
ALL FUND TYPES AND ACCOUNT GROUPS

Continued Balance Sheet, December 31, 2004

	GOVERNMENTAL FUND TYPE GENERAL FUND	ACCOUNT GROUP - GENERAL FIXED- ASSETS	Total (See Memorandum 040.5)
<b>ASSETS</b>			
Cash and cash equivalents	\$681,732		\$681,732
Receivables	369,754		369,754
Equipment		\$12,188	12,188
<b>TOTAL ASSETS</b>	<u>\$1,051,486</u>	<u>\$12,188</u>	<u>\$1,063,674</u>
<b>LIABILITIES AND FUND EQUITY</b>			
Liabilities - accounts payable	39,000		39,000
Fund Equity:			
Investment in general fixed assets		\$12,188	12,188
Fund balance - reserved, undesignated	995,477		995,477
<b>Total Fund Equity</b>	<u>995,477</u>	<u>12,188</u>	<u>1,007,665</u>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<u>\$1,044,486</u>	<u>\$12,188</u>	<u>\$1,056,674</u>

The accompanying notes are an integral part of this statement.

GRAVITY DRAINAGE DISTRICT NO. 3  
OF CAMERON PARISH  
Cameron, Louisiana  
GOVERNMENTAL FUND TYPE

Combined Statement of Revenues, Expenditures  
and Changes in Fund Balances  
For the Year Ended December 31, 2001

	<u>GENERAL FUND</u>
<b>REVENUES</b>	
Ad valorem taxes	\$272,536
Intergovernmental revenues:	
Federal grant	477
State income sharing (net)	2,069
Use of money and property	26,879
Other revenues	<u>60</u>
Total revenues	<u>311,921</u>
<b>EXPENDITURES</b>	
Current:	
Personal services	25,500
Operating services	367,565
Materials and supplies	<u>5,372</u>
Total expenditures	<u>498,437</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	(186,516)
<b>FUND BALANCES AT BEGINNING OF YEAR</b>	<u>1,052,401</u>
<b>FUND BALANCES AT END OF YEAR</b>	<u>\$865,885</u>

The accompanying notes are an integral part of this statement.

GRAVITY DRAINAGE DISTRICT NO. 3  
OF CAMERON PARISH  
Cameron, Louisiana

Notes to the Financial Statements  
As of and for the Year Ended December 31, 2001

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Gravity Drainage District No. 3 of Cameron Parish was created on April 6, 1931, as a political subdivision of the State of Louisiana under the provisions of Louisiana Revised Statutes 38:1751-1800, and was established for the purpose of opening and maintaining all natural drains in the district where drainage is accomplished using the natural force of gravity. The district is governed by a board of 5 commissioners who are appointed by the Cameron Parish Police Jury.

**A. REPORTING ENTITY**

As the governing authority of the parish, for reporting purposes, the Cameron Parish Police Jury is the financial reporting entity for Cameron Parish. The financial reporting entity consists of (a) the primary government (police jury), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Governmental Accounting Standards Board (GASB) Statement No. 14 established criteria for determining which component units should be considered part of the Cameron Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

1. Appointing a voting majority of an organization's governing body, and:
  - a. The ability of the police jury to impose its will on that organization and/or;
  - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the police jury.
2. Organizations for which the police jury does not appoint a voting majority but are fiscally dependent on the police jury.



**GRAVITY DRAINAGE DISTRICT NO. 3  
OF CAMERON PARISH  
Cameron, Louisiana  
Notes to the Financial Statements (Continued)**

3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Because the police jury appoints all board members of the district and can impose its will on the district, the district was determined to be a component unit of the Cameron Parish Police Jury, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the district and do not present information on the police jury, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

**2. FUND ACCOUNTING**

The district uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain governmental functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts that comprises its assets, liabilities, fund equity, revenues, and expenditures. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities (general fund assets and general long-term obligations) that are not recorded in the "funds" because they do not directly affect net expendable available financial resources. They are concerned only with the measurement of financial position, not with the measurement of results of operations.

Funds are classified into three categories: governmental, proprietary, and fiduciary. Each category, in turn, is divided into separate "fund types." Governmental funds are used to account for a government's general activities, where the focus of attention is on the providing of services to the public as opposed to proprietary funds where the focus of attention is on measuring the cost of providing services to the public or other agencies through service charges or user fees. Fiduciary funds are used to account for assets held for others. The district's current operations require the use of only governmental fund types. The governmental fund types of the district are described as follows:

**General Fund**

The General Fund is the general operating fund of the district and is used to account for all financial activities not required to be accounted for in other funds.

GRAVITY EIGHTH DISTRICT NO. 3  
OF CAMERON PARISH  
Cameron, Louisiana  
Memo to the Financial Statements (Continued)

**C. FIXED ASSETS AND LONG-TERM DEBT**

General fixed assets are not capitalized in the funds used to acquire or construct them. Instead, capital acquisitions and construction are reflected as expenditures (capital outlay) in the governmental funds and the related assets are reported in the general fixed assets account group. All purchased fixed assets are valued at historical cost. No depreciation has been provided on general fixed assets. The cost of normal maintenance and repairs that do not add to the value of fixed assets or materially extend their useful lives are not recorded in the general fixed asset account group. There were no changes in fixed assets during the year.

The district had no long-term debt at December 31, 2001.

**D. BASIS OF ACCOUNTING**

The financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements for these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The modified accrual basis of accounting is used for reporting all governmental fund types. Under the modified accrual basis of accounting, revenues are recognized when measurable to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The district uses the following practices in recognizing and reporting revenues and expenditures:

**Revenues**

*Ad valorem taxes and the related state revenue sharing are recorded in the year the taxes are due and payable. Ad valorem taxes are assessed on a calendar year basis and much as an enforceable lien and become due and payable on the date the tax rolls are filed with the recorder of mortgages. Louisiana Revised Statute 47:1593 requires that the tax roll be filed on or before November 15 of each year. Ad valorem taxes become delinquent if not paid by December 31. The taxes are normally collected in December of the current year and January through the tax sale of the ensuing year.*

*Interest income on interest bearing demand deposits is recorded at the end of the month when credited by the bank. Interest income on time deposits is recorded when the time deposits have matured and the interest is available.*

GRAVITY DRAINAGE DISTRICT NO. 3  
OF CAMERON PARISH  
Cameron, Louisiana  
Notes to the Financial Statements (Continued)

• Based on the above criteria, all valuations states and state revenue sharing have been treated as receivable to annual.

**Expenditures**

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

**F. BUDGET PRACTICES**

Louisiana law exempts special districts created before December 31, 1974, from the requirements of the Local Government Budget Act. Gravity Drainage District No. 3 of Cameron Parish was created on April 6, 1951, and accordingly, is exempt from the budgetary requirements. Management has determined that, due to the amount and nature of expenditures, the adoption of a budget is not required for control purposes. Accordingly, the district did not adopt a budget for the year ended December 31, 2001; therefore, the accompanying financial statements do not include a comparison of revenues and expenditures to budget.

**G. CASH AND CASH EQUIVALENTS**

Under state law, the district may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the union, or the laws of the United States. The district may invest in certificates and time deposits of such banks organized under Louisiana law and national banks having principal offices in Louisiana.

At December 31, 2001, the district had cash and cash equivalents (bank balances) totaling \$681,732, of which \$170,732 was in demand deposits and \$510,000 was in time deposits.

These deposits are stated at cost, which approximates market. Under state law, these deposits, or the resulting bank balances, must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank.

Bank balances at December 31, 2001, are secured as follows:

Bank Balances	<u>\$681,732</u>
Federal deposit insurance	<u>\$200,000</u>
Pledged securities (securities held)	<u>\$481,732</u>
Total	<u>\$1,163,464</u>

**GRAVITY DRAINAGE DISTRICT NO. 3  
OF CAMERON PARISH  
Cameron, Louisiana  
Notes to the Financial Statements (Continued)**

Because the pledged securities are held by a custodial bank in the name of the fiscal agent bank rather than the name of the district, they are considered uncollateralized (Category 3) under the provisions of GASB Codification §26.146; however, Louisiana Revised Statute 59:1329 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 30 days of being notified by the district that the fiscal agent has failed to pay deposited funds upon demand.

**G. VACATION/SICK LEAVE POLICY AND PENSION PLAN**

The district has no employees; therefore, the district does not have a formal policy on vacation and sick leave and does not contribute to a pension plan.

**H. RISK MANAGEMENT**

The district is exposed to various risk of loss related to torts; thefts of, damage to, and destruction of assets and errors and omissions. To handle such risk of loss, the district maintains surety bond coverage, a general liability policy, and an errors and omissions policy, and automobile liability. No claims were paid on any of the policies during the past three years which exceeded the policies' coverage amount.

**I. TOTAL COLUMN ON COMBINED STATEMENTS**

Total columns on the combined statements are captioned *Memorandum Only* to indicate that it is presented only to facilitate financial analysis. Data in these columns do not present financial position in conformity with U. S. generally accepted accounting principles. Neither is such data comparable to a consolidation.

**J. LEVIED TAXES**

The district has an authorized tax millage of 7.50 mills for general maintenance and operation of the district. The tax expires with the 2008 tax roll. For the year ended December 31, 2006, the district levied 8.50 mills.

The following are the principal taxpayers for the district (amounts expressed in thousands):

GRAVITY DRAINAGE DISTRICT NO. 3  
OF CAMERON PARISH  
Cameron, Louisiana  
Notes to the Financial Statements (Continued)

	2001 Assessed Valuation	Percent of Total Assessed Valuation
Natural Gas Pipeline	57,788	5.34%
Cargo Petroleum	5,208	3.57%
AME Pipeline Co.	6,968	4.10%
Dynegy Midstream, Inc.	4,700	3.22%
Transcontinental Gas Pipeline	4,817	3.16%
Hugoboss Barge Lines, Inc.	3,739	2.59%
Omaha Protein, Inc.	4,127	2.83%
Bolton Chemical Offshore, LLC	3,804	2.81%
Texas Eastern Transportation	3,538	2.42%
Tenneco, Inc.	3,254	2.23%
Total	<u>345,826</u>	<u>32.09%</u>

3. RECEIVABLES

The General Fund receivables of \$262,754 at December 31, 2001, consisted of ad valorem tax receivable of \$261,415 and state revenue sharing (net) of \$1,339.

4. LITIGATION AND CLAIMS

The district is not involved in any litigation at December 31, 2001, nor is it aware of any potential claims.

# SUPPLEMENTAL INFORMATION SCHEDULE

GRAVITY DRAINAGE DISTRICT NO. 3  
OF CAMERON PARISH  
Cameron, Louisiana  
SUPPLEMENTAL INFORMATION SCHEDULE  
As of and For the Year Ended December 31, 2004

**PER DIEM PAID COMMISSIONERS**

The schedule of per diem paid commissioners was prepared in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. In accordance with Louisiana Revised Statute 38:1768, board members receive \$60 per diem for each board meeting they attend.

## Schedule 1

GRAVITY DRAINAGE DISTRICT NO. 3  
OF CAMERON PARISH  
Cameron, LouisianaSchedule of Per Diem Paid Commissioners  
For the Year Ended December 31, 2001

	<u>AMOUNT</u>
El. J. Drouot	\$1,800
Scott Henry, President	720
Edward Rucinski, Jr.	940
Jon DuPont	680
Kathy Guthrie	<u>120</u>
Total	<u>\$3,560</u>



**Independent Auditor's Report Required  
by Government Auditing Standards**

The following Independent Auditor's Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards is presented in compliance with the requirements of Government Auditing Standards, issued by the Comptroller General of the United States and the Louisiana Governmental Audit Guide, issued by the Society of Louisiana Certified Public Accountants and the Louisiana Legislative Auditor.



**LITTLE & ASSOCIATES**  
CERTIFIED PUBLIC ACCOUNTANTS

Wm. Todd Little, CPA  
James C. Bore, CPA  
Charles R. MacIntosh, Jr., CPA

**Independent Auditor's Report on Compliance and on  
Internal Control Over Financial Reporting  
Based on an Audit of Financial Statements  
Performed in Accordance With Government Auditing Standards**

**GRAVITY DRAINAGE DISTRICT NO. 3  
OF CAMERON PARISH  
Cameron, Louisiana**

We have audited the general purpose financial statements of Gravity Drainage District No. 3 of Cameron Parish, a component unit of the Cameron Parish Police Jury, as of and for the year ended December 31, 2001, and have issued our report thereon dated June 13, 2002. We conducted our audit in accordance with U. S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Compliance**

As part of obtaining reasonable assurance about whether Gravity Drainage District No. 3 of Cameron Parish's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants with which could have a direct and material effect on the determination of financial amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered Gravity Drainage District No. 3 of Cameron Parish's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We agreed no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

GRAVITY DRAINAGE DISTRICT NO. 3

OF CAMERON PARISH

Cameron, Louisiana

Independent Auditor's Report on Compliance

And Internal Control Over Financial Reporting, etc.

December 31, 2021

This report is intended solely for the information and use of the members of the Gravity Drainage District No. 3 of Cameron Parish, management of the district, the Louisiana Legislative Auditor, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than those specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



Monroe, Louisiana

June 13, 2022

GRAVITY DRAINAGE DISTRICT NO. 3  
OF CAMERON PARISH  
Cameron, Louisiana

*Schedule of Findings and Questioned Costs  
For the Year Ended December 31, 2004*

**A. SUMMARY OF AUDIT RESULTS**

1. The auditor's report expresses an unqualified opinion on the general purpose financial statements of Gravity Drainage District No. 3 of Cameron Parish.
2. No instances of noncompliance material to the financial statements of Gravity Drainage District No. 3 of Cameron Parish were disclosed during the audit.
3. No reportable conditions relating to the audit of the financial statements are reported in the Independent Auditor's Report on Compliance and on Internal Control Over Financial Reporting Issued as an Audit of Financial Statements Performed in Accordance With Government Auditing Standards.

**B. FINDINGS - FINANCIAL STATEMENTS AUDIT**

None

GRAVITY DRAINAGE DISTRICT NO. 3  
OF CAMERON PARISH  
Cameron, Louisiana

Summary Schedule of Prior Audit Findings  
For the Year Ended December 31, 2000

There were no audit findings reported in the audit for the year ended December 31, 2000.